

Senate Study Bill 1222 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
CHAIRPERSON KRAAYENBRINK)

A BILL FOR

1 An Act relating to state finances, including by making,
2 modifying, limiting, or reducing appropriations,
3 distributions, or transfers, authorizing expenditure of
4 certain unappropriated moneys, making corrections, and
5 including effective date, applicability, and retroactive
6 applicability provisions.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I
2 APPROPRIATIONS, DISTRIBUTIONS, TRANSFERS, AND EXPENDITURE
3 AUTHORITY

4 Section 1. INSTRUCTIONAL SUPPORT STATE AID — FY
5 2023-2024. In lieu of the appropriation provided in section
6 257.20, subsection 2, the appropriation for the fiscal year
7 beginning July 1, 2023, and ending June 30, 2024, for paying
8 instructional support state aid under section 257.20 for the
9 fiscal year is zero.

10 Sec. 2. SPECIAL FUNDS — SALARY ADJUSTMENTS —
11 UNAPPROPRIATED MONEYS — FY 2023-2024. For the fiscal
12 year beginning July 1, 2023, and ending June 30, 2024,
13 salary adjustments otherwise provided may be funded as
14 determined by the department of management, subject to any
15 applicable constitutional limitation, using unappropriated
16 moneys remaining in the commerce revolving fund, the gaming
17 enforcement revolving fund, the gaming regulatory revolving
18 fund, the primary road fund, the road use tax fund, the fish
19 and game protection fund, and the Iowa public employees'
20 retirement fund, and in other departmental revolving, trust, or
21 special funds for which the general assembly has not made an
22 operating budget appropriation.

23 Sec. 3. DISTRIBUTIONS OF IOWA ECONOMIC EMERGENCY FUND
24 EXCESS — FY 2022-2023.

25 1. Notwithstanding section 8.55, subsection 2, paragraphs
26 "a" and "b", for the fiscal year beginning July 1, 2022, and
27 ending June 30, 2023, moneys in excess of the maximum balance
28 of the Iowa economic emergency fund created in section 8.55
29 shall be distributed as follows:

30 a. An amount equal to the difference between the foundation
31 property tax statewide under section 257.3 for the fiscal year
32 beginning July 1, 2023, calculated using taxable valuations
33 for the assessment year beginning January 1, 2022, following
34 application of assessment limitations calculated under section
35 441.21, Code 2023, and the foundation property tax statewide

1 under section 257.3 for the fiscal year beginning July 1,
2 2023, calculated using taxable valuations for the assessment
3 year beginning January 1, 2022, following application of
4 assessment limitations calculated under section 441.21, Code
5 2023, as amended by 2023 Iowa Acts, Senate File 181, shall be
6 transferred to the general fund of the state to pay foundation
7 aid under chapter 257 as described in section 257.16 for the
8 fiscal year beginning July 1, 2023.

9 b. Of the remaining moneys, if any, the difference between
10 the actual net revenue for the general fund of the state for
11 the fiscal year and the adjusted revenue estimate for the
12 fiscal year, reduced by the amount transferred under paragraph
13 "a", shall be transferred to the taxpayer relief fund created
14 in section 8.57E.

15 c. The remaining moneys, if any, shall be transferred to the
16 general fund of the state.

17 2. The amount to be transferred under subsection 1,
18 paragraph "a", shall be determined by the department of
19 management on or before July 31, 2023. The department shall
20 notify the legislative services agency of the department's
21 determination.

22 Sec. 4. Section 257.35, Code 2023, is amended by adding the
23 following new subsection:

24 NEW SUBSECTION. 17A. Notwithstanding subsection 1, and in
25 addition to the reduction applicable pursuant to subsection
26 2, the state aid for area education agencies and the portion
27 of the combined district cost calculated for these agencies
28 for the fiscal year beginning July 1, 2023, and ending June
29 30, 2024, shall be reduced by the department of management by
30 twenty-two million fifty-seven thousand one hundred thirty-one
31 dollars. The reduction for each area education agency shall be
32 prorated based on the reduction that the agency received in the
33 fiscal year beginning July 1, 2003.

34 Sec. 5. Section 441.21, subsection 5, paragraph e,
35 subparagraph (1), Code 2023, is amended to read as follows:

1 financial assistance under [this section](#) during the same fiscal
2 year.

3 Sec. 9. Section 15C.2, subsection 3, paragraph b, Code 2023,
4 is amended to read as follows:

5 *b.* An apprenticeship sponsor receiving financial assistance
6 under [chapter ~~15B~~ 84D](#) or [section ~~15C.1~~ 84E.1](#) is ineligible to
7 receive financial assistance under [this section](#) during the same
8 fiscal year. An apprenticeship sponsor who trains through
9 a lead apprenticeship sponsor that qualifies for financial
10 assistance under [chapter ~~15B~~ 84D](#) is ineligible to receive
11 financial assistance under [this section](#).

12 Sec. 10. Section 22.7, subsection 31, Code 2023, is amended
13 to read as follows:

14 31. Memoranda, work products, and case files of a mediator
15 and all other confidential communications in the possession of
16 a mediator, as provided in ~~chapters 86~~ [chapter 10A, subchapter](#)
17 [III](#), and [chapter 216](#). Information in these confidential
18 communications is subject to disclosure only as provided in
19 sections ~~86.44~~ [10A.332](#) and [216.15B](#), notwithstanding any other
20 contrary provision of [this chapter](#).

21 Sec. 11. Section 92.5, subsection 11, Code 2023, is amended
22 to read as follows:

23 11. Other work approved by the rules adopted pursuant to
24 chapter 17A by the ~~labor commissioner~~ [director](#).

25 Sec. 12. Section 100D.3, subsection 1, paragraph c, Code
26 2023, as amended by 2023 Iowa Acts, Senate File 514, section
27 1519, is amended to read as follows:

28 *c.* Has received a passing score on the national inspection,
29 testing, and certification star fire sprinkler mastery
30 exam or on an equivalent exam from a nationally recognized
31 third-party testing agency that is approved by the director,
32 or is certified at level one by the national institute for
33 certification in engineering technologies and as specified
34 by rule by the director, or is certified by another entity
35 approved by the ~~fire marshal~~ [director](#).

1 of alarm systems that operate at seventy volt/amps (VA) or less
2 are subject to inspection by state inspectors as provided in
3 section 103.31, except that reports of such inspections, if
4 the installation being inspected was performed by a person
5 certified pursuant to [chapter 100C](#), shall be submitted to the
6 director and any action taken on a report of an inspection
7 of an installation performed by a person certified pursuant
8 to [chapter 100C](#) shall be taken by or at the direction of the
9 ~~state fire marshal~~ director, unless the installation has been
10 found to exceed the authority granted to the certificate holder
11 pursuant to [chapter 100C](#) and therefore to be in violation of
12 this chapter.

13 Sec. 17. Section 135.11A, subsection 1, Code 2023, as
14 amended by 2023 Iowa Acts, Senate File 514, section 1580, is
15 amended to read as follows:

16 1. Each board under ~~chapters~~ chapter 100C, 103, 103A,
17 105, or 147 that ~~are~~ is under the administrative authority
18 of the department, except the board of nursing, board of
19 medicine, dental board, and board of pharmacy, shall receive
20 administrative and clerical support from the department and
21 may not employ its own support staff for administrative and
22 clerical duties. The executive director of the board of
23 nursing, board of medicine, dental board, and board of pharmacy
24 shall be appointed pursuant to [section 135.11B](#).

25 Sec. 18. Section 135R.1, subsection 2, as enacted by 2023
26 Iowa Acts, Senate File 75, section 22, is amended to read as
27 follows:

28 2. "*Department*" means the department of inspections, and
29 appeals, and licensing.

30 Sec. 19. Section 156.1A, Code 2023, as amended by 2023
31 Iowa Acts, Senate File 514, section 1632, is amended to read
32 as follows:

33 **156.1A Provision of services.**

34 Nothing contained in [this chapter](#) shall be construed
35 as prohibiting the operation of any funeral home, funeral

1 establishment, or cremation establishment by any person,
2 heir, fiduciary, firm, cooperative burial association, or
3 corporation. However, each such person, firm, cooperative
4 burial association, or corporation shall ensure that all
5 mortuary science services are provided by a funeral director,
6 and shall keep the Iowa department of inspections, appeals, and
7 licensing advised of the name of the funeral director.

8 Sec. 20. Section 249K.2, subsection 6, Code 2023, as amended
9 by 2023 Iowa Acts, Senate File 514, section 820, is amended to
10 read as follows:

11 5. "*New construction*" means the construction of a new
12 nursing facility which does not replace an existing licensed
13 and certified facility and requires the provider to obtain a
14 certificate of need pursuant to chapter ~~135~~ 10A, subchapter ~~VI~~
15 VII.

16 Sec. 21. Section 252D.16, subsection 1, as enacted by 2023
17 Iowa Acts, Senate File 514, section 882, is amended to read as
18 follows:

19 1. "*Child support services*" means the same as child
20 ~~supported~~ support services created in section 252B.2.

21 Sec. 22. Section 252E.1, subsection 5, as enacted by 2023
22 Iowa Acts, Senate File 514, section 895, is amended to read as
23 follows:

24 5. "*Child support services*" means child support services
25 created in section ~~252B.1~~ 252B.2.

26 Sec. 23. Section 256.11, subsection 5A, paragraph a, if
27 enacted by 2023 Iowa Acts, Senate File 391, section 14, is
28 amended to read as follows:

29 a. The board of directors of a school district or the
30 authorities in charge of an accredited nonpublic school may
31 authorize a teacher who is appropriately licensed by the board
32 of educational examiners ~~under chapter 272~~ to teach two or more
33 sequential units of one subject area in the same classroom at
34 the same time in grades nine through twelve. The board of
35 directors of a school district or the authorities in charge

1 of an accredited nonpublic school shall award high school
2 credit to a student upon the student's successful completion of
3 the course. The teacher must meet the minimum certification
4 requirements of the national organization that administers the
5 advanced placement program if one of the units being offered
6 pursuant to this paragraph is an advanced placement course.

7 Sec. 24. Section 261G.4, subsection 5, Code 2023, as amended
8 by 2023 Iowa Acts, Senate File 514, section 2640, is amended
9 to read as follows:

10 5. Students attending a participating nonresident
11 institution are ineligible for state student financial aid
12 programs established under chapter 256, subchapter VII, part 4.

13 Sec. 25. Section 303.3B, subsection 3, Code 2023, as amended
14 by 2023 Iowa Acts, Senate File 514, section 2087, is amended
15 to read as follows:

16 3. The authority shall encourage development projects and
17 activities located in certified cultural and entertainment
18 districts through incentives under cultural grant programs
19 pursuant to section ~~303.3~~ 15.436, subchapter II, part 30, and
20 any other applicable grant programs.

21 Sec. 26. Section 546.10, subsection 3, paragraph a, Code
22 2023, as amended by 2023 Iowa Acts, Senate File 514, section
23 1704, is amended to read as follows:

24 a. The licensing and regulation examining boards included
25 in the ~~bureau~~ department pursuant to subsection 1 retain the
26 powers granted them pursuant to the chapters in which they are
27 created, except for budgetary and personnel matters which shall
28 be handled by the director. Each licensing board shall adopt
29 rules pursuant to chapter 17A. Decisions by a licensing board
30 are final agency actions for purposes of chapter 17A.

31 Sec. 27. Section 727.2, subsection 3, paragraph d, as
32 enacted by 2023 Iowa Acts, House File 202, section 7, is
33 amended to read as follows:

34 d. Any retailer or community group offering for sale
35 at retail any consumer fireworks shall do so in accordance

1 with the national fire protection association standard 1124,
2 published in the code for the manufacture, transportation,
3 storage, and retail sales of fireworks and pyrotechnic
4 articles, 2006 edition, and shall not be subject to any other
5 standards or requirements unless provided for by the ~~state fire~~
6 ~~marshal~~ director of the department of inspections, appeals, and
7 licensing under section ~~100.19~~ 10A.519.

8 Sec. 28. 2015 Iowa Acts, chapter 138, section 97, as amended
9 by 2023 Iowa Acts, Senate File 514, section 1710, is amended
10 to read as follows:

11 SEC. 97. RESIDENTIAL SWIMMING POOLS — PRIVATE SWIMMING
12 LESSONS. Notwithstanding any provision of law to the contrary,
13 the department of inspections, appeals, and licensing shall
14 require that a residential swimming pool used for private
15 swimming lessons for up to two hundred seven hours in a
16 calendar month, or the number of hours prescribed by local
17 ordinance applicable to such use of a residential swimming
18 pool, whichever is greater, be regulated as a residential
19 swimming pool used for commercial purposes pursuant to chapter
20 135I. The department of ~~public health~~ inspections, appeals,
21 and licensing may adopt rules to implement this section.

22 Sec. 29. 2021 Iowa Acts, chapter 45, section 5, is amended
23 to read as follows:

24 SEC. 5. APPLICABILITY. This Act applies to financial
25 assistance provided by the ~~economic development authority~~ to
26 apprenticeship sponsors and lead apprenticeship sponsors that
27 apply for financial assistance on or after July 1, 2021.

28 Sec. 30. 2023 Iowa Acts, Senate File 514, section 2605, is
29 amended to read as follows:

30 SEC. 2605. APPLICABILITY. This portion of this division
31 of this Act applies to individuals appointed as the executive
32 director of the board of educational examiners before, on, or
33 after the effective date of this division of this Act.

34 Sec. 31. 2023 Iowa Acts, Senate File 514, section 2643, is
35 amended to read as follows:

1 SEC. 2643. APPLICABILITY. This portion of this division
2 of this Act applies to individuals appointed as the executive
3 director of the college student aid commission before, on, or
4 after the effective date of this division of this Act.

5 Sec. 32. EFFECTIVE DATE. The following, being deemed of
6 immediate importance, take effect upon enactment:

7 1. The section of this division of this Act amending section
8 101A.1, subsection 2A, paragraph "c", subparagraph (4).

9 2. The section of this division of this Act amending section
10 727.2, subsection 3, paragraph "d".

11 Sec. 33. RETROACTIVE APPLICABILITY. The following apply
12 retroactively to March 22, 2023:

13 1. The section of this division of this Act amending section
14 101A.1, subsection 2A, paragraph "c", subparagraph (4).

15 2. The section of this division of this Act amending section
16 727.2, subsection 3, paragraph "d".

17 MISCELLANEOUS CORRECTIONS

18 Sec. 34. Section 12K.1, subsection 4, paragraph j, if
19 enacted by 2023 Iowa Acts, Senate File 418, section 4, is
20 amended by striking the paragraph.

21 Sec. 35. Section 12K.1, if enacted by 2023 Iowa Acts, Senate
22 File 418, section 4, is amended by adding the following new
23 subsection:

24 NEW SUBSECTION. 5. "*Public fund*" means the treasurer of
25 state, the state board of regents, the public safety peace
26 officers' retirement system created in chapter 97A, the Iowa
27 public employees' retirement system created in chapter 97B, the
28 statewide fire and police retirement system created in chapter
29 411, or the judicial retirement system created in chapter 602.

30 Sec. 36. 2023 Iowa Acts, Senate File 418, if enacted, is
31 amended by adding the following new section:

32 NEW SECTION. SEC. 9A. Section 35A.13, subsection 4,
33 paragraph a, Code 2023, is amended to read as follows:

34 a. Notwithstanding [subsection 5](#), moneys in the fund, except
35 so much of the fund as may be necessary to be kept on hand

1 for the making of disbursements under [this section](#), shall
2 be invested by the treasurer of state, in consultation with
3 the commission and the public retirement systems committee
4 established by [section 97D.4](#), in any investments authorized for
5 the Iowa public employees' retirement system in [section 97B.7A](#),
6 including common stock, and subject to the requirements of
7 chapters [12F](#), [12H](#), [and 12J](#), [and 12K](#), and the earnings therefrom
8 shall be credited to the fund. The treasurer of state may
9 execute contracts and agreements with investment advisors,
10 consultants, and investment management and benefit consultant
11 firms in the administration of investments of moneys in the
12 fund.

13 Sec. 37. Section 135B.1, subsection 5, as enacted by 2023
14 Iowa Acts, Senate File 75, section 1, is amended to read as
15 follows:

16 5. "*Rural emergency hospital*" means a facility that provides
17 rural emergency hospital services in the facility twenty-four
18 hours per day, seven days per week; does not provide any acute
19 care inpatient services with the exception of any distinct
20 part of the facility licensed as a skilled nursing facility
21 providing posthospital extended care services; and meets the
22 criteria specified in ~~section 135B.1A~~ [135B.3A](#) and the federal
23 Consolidated Appropriations Act, Pub. L. No. 116-260, §125.

24 Sec. 38. Section 147.164, subsection 2, paragraph a,
25 unnumbered paragraph 1, as enacted by 2023 Iowa Acts, Senate
26 File 538, section 1, is amended to read as follows:

27 Except as otherwise provided in paragraph "c", a health
28 care professional shall not knowingly engage in or cause any
29 of the following practices to be performed on a minor if the
30 practice is performed for the purpose of attempting to alter
31 the appearance of, or affirm the minor's perception of, the
32 minor's gender or sex, if that appearance or perception is
33 inconsistent with the minor's sex:

34 Sec. 39. Section 476.1A, subsection 6, paragraph c, if
35 enacted by 2023 Iowa Acts, House File 599, section 1, is

1 amended to read as follows:

2 *c.* "*Safety standards*" means applicable regulations
3 promulgated by the United States occupational safety and health
4 administration and by ~~Iowa occupational safety and health~~
5 ~~by the administration~~ the labor commissioner under chapter
6 88. Safety standards for electric utilities subject to this
7 section also include outage notifications, safety standards
8 contained in the national electric safety code, as published
9 by the institute of electrical and electronic engineers, inc.,
10 and electric safety standards approved by the American national
11 standards institute.

12 Sec. 40. Section 521J.7, subsection 1, paragraph b,
13 subparagraph (1), if enacted by 2023 Iowa Acts, Senate File
14 549, section 10, is amended to read as follows:

15 (1) Subject to subparagraph (2), the ~~captive's company~~
16 captive company's report shall be filed no later than ninety
17 calendar days after the close of the company's fiscal year.

18 Sec. 41. Section 521J.19, subsection 3, unnumbered
19 paragraph 1, if enacted by 2023 Iowa Acts, Senate File 549,
20 section 22, is amended to read as follows:

21 Notwithstanding chapter 507C or any other provision ~~to~~ of
22 law to the contrary, in the conservation, rehabilitation, or
23 liquidation of a protected cell captive company, all of the
24 following requirements shall be met:

25 Sec. 42. Section 533C.305, subsection 4, if enacted by 2023
26 Iowa Acts, House File 675, section 14, is amended to read as
27 follows:

28 4. If an applicant avails itself or is otherwise subject
29 to a multistate licensing process, the superintendent is
30 authorized and encouraged to accept the investigation results
31 of a lead investigative state for the purpose of subsection
32 3, if the lead investigative state has sufficient staffing,
33 expertise, and minimum standards. Additionally, if this
34 state is a lead investigative state, the superintendent is
35 authorized and encouraged to investigate the applicant pursuant

1 to subsection 3, and the time frames established by agreement
2 through the multistate licensing process, provided, that in no
3 case shall such time frame be noncompliant with the application
4 period in subsection 1, ~~paragraph "a"~~.

5 Sec. 43. Section 544C.1, subsection 1A, if enacted by 2023
6 Iowa Acts, Senate File 135, section 1, is amended to read as
7 follows:

8 NEW SUBSECTION. 1A. *"Building equipment"* means any
9 mechanical, plumbing, electrical, or structural components,
10 including a conveyance, designed for or located in a building
11 or structure.

12 Sec. 44. CODE EDITOR DIRECTIVE. If House File 421 and House
13 File 652 are both enacted by the first session of the 90th
14 General Assembly, the Code editor shall change the term "barber
15 school or school of cosmetology arts and sciences" to "school
16 of barbering and cosmetology arts and sciences" wherever the
17 term is enacted in House File 421.

18 Sec. 45. EFFECTIVE DATE. The following, being deemed of
19 immediate importance, take effect upon enactment:

20 1. The section of this division of this Act amending section
21 135B.1, subsection 5.

22 2. The section of this division of this Act amending section
23 147.164, subsection 2, paragraph "a", unnumbered paragraph 1.

24 Sec. 46. RETROACTIVE APPLICABILITY. The following applies
25 retroactively to March 28, 2023:

26 The section of this division of this Act amending section
27 135B.1, subsection 5.

28 Sec. 47. APPLICABILITY. The following applies one hundred
29 eighty days after March 22, 2023:

30 The section of this division of this Act amending section
31 147.164, subsection 2, paragraph "a", unnumbered paragraph 1.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with
34 the explanation's substance by the members of the general assembly.

35 APPROPRIATIONS, DISTRIBUTIONS, TRANSFERS, AND EXPENDITURE

1 AUTHORITY. This bill reduces the standing appropriations for
2 FY 2023-2024 for instructional support state aid, state aid for
3 area education agencies, and payments under Code section 441.21
4 relating to certain property assessment limitations. The bill
5 authorizes salary adjustments to be funded as determined by the
6 department of management (DOM) from unappropriated moneys in
7 certain special funds.

8 The bill provides that for FY 2022-2023, moneys in excess
9 of the maximum balance of the Iowa economic emergency fund
10 shall not be distributed as provided in Code section 8.55(2),
11 but shall instead be distributed as provided in the bill.
12 Under the bill, moneys are first transferred to the general
13 fund of the state in an amount equal to the difference in
14 foundation property tax statewide based on 2023 Iowa Acts,
15 Senate File 181, to pay foundation aid under Code chapter 257
16 for FY 2023-2024. The amount that would be distributed to
17 the taxpayer relief fund under current law is reduced by the
18 transferred amount. The transferred amount is to be determined
19 by DOM. These provisions take effect upon enactment.

20 CORRECTIVE PROVISIONS. The bill makes technical corrections
21 to, or as the result of, legislation enacted or considered
22 during the 2023 legislative session. Certain provisions take
23 effect upon enactment and apply retroactively to the effective
24 date of the amended legislation.